

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NEW YORK

IN THE MATTER OF CASH COLLATERAL
OR ADEQUATE PROTECTION AGREEMENTS

STANDING ORDER

WHEREAS Section 363 of Title 11 U.S.C. does not require Court approval of agreements or stipulations regarding the use of cash collateral or regarding the providing of adequate protection of the lien interests of a secured creditor, and

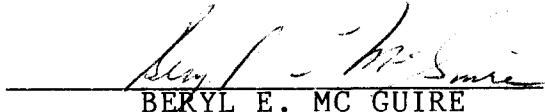
WHEREAS orders approving such agreements or stipulations are often sought, it is now

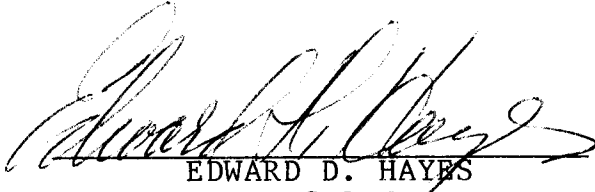
ORDERED that, unless extraordinary cause for departure from the terms of this order is shown, all requests for orders approving adequate protection or cash collateral agreements or stipulations shall be sought by written motion and notice of motion, and shall be the subject of a hearing. The party seeking the order shall prepare and serve the motion and notice of motion. Notice shall be given to the parties to the agreement, all parties having any other interest in the collateral, and the creditors' committee, if any. If there is no creditors' committee, notice shall be given to the twenty largest creditors. At the hearing, after inquiry into the content and consequences of the agreement, the Court may direct a further hearing on notice to all creditors or all parties in interest.


PROVIDED, however, that the Court will entertain without a hearing requests for an order approving a cash collateral agreement or a stipulation which provides for nothing more than a replacement lien on post-petition assets, in an amount equal to the amount of cash collateral used.

SO ORDERED.

Dated: 10/30/85


BERYL E. MC GUIRE
U.S.B.J.


EDWARD D. HAYES
U.S.B.J.


JOHN W. CREAHAN
U.S.B.J.